



# CALIFORNIA High-Speed Rail Authority

## Business Advisory Council (BAC) Summary Meeting Notes for April 20, 2016

### Summary Notes

770 3<sup>rd</sup> Street, West Sacramento, CA

#### Members Present:

Association	Primary	Alternate
ACEC	Arvin Chaudhary	
AICC	Adam Holt	
AAAE	Eddy Lau	Ellen Lee
AAa/e		
AGC		John Cooper
CBCC		
CMAA	Esther Shaw	
COMTO	Dev Krishnan	Jesus Vargas
DVBA	Laura Uden	
GFACC	Debbie Hunsaker	
KMCA	Marvin Dean	
LBA		
LRRT	Paul Guerrero	
NAACP	Betty Williams	
NAMC		
NCA	Diana LaCome	
SFAACC	Fred Jordan	Dr. Caesar Churchwell
SAME	Vida Wright	
USPAACC		
WCOE	Lee Cunningham	
WTS		Charissa Frank

**Chair:** Lisa Marie Alley (Absent)

**Vacant Seat(s):** Linden Nishinaga (AAa/e), Aubry Stone (CBCC), Leonard Ortiz (LBA), Peter Varma (NAMC), Clyde Wong (USPAACC)

**California High-Speed Rail Authority (Authority) Team Present:** Alice Rodriguez – CHSRA Small Business Advocate, Jose Camarena – CHSRA Contract Compliance Administrator, Darin Kishiyama – CHSRA Supervising Transportation Engineer, Karen Massie – CHSRA Information Officer, Terry Marcellus – RDP, Alex McCracken – RDP, Austin Kidwell – RDP, Meilani Sabadlab – RDP

**Guests:** John Ochinerio, Maurice Young (TPZP), John James (DFJV), Angela Roberson (Ferrovia Agroman), Joanne Siracusa (Ferrovia Agroman), Michael Aguillio (DGS), Derf Butler (SFAACC), Nathan Rockwood (SAME), Shari Tavafrashti (WTS)

## **1. Welcome and Introductions (Alice Rodriguez)**

- The meeting was called to order at 1:11 PM and led by Small Business advocate, Alice Rodriguez.
- Ms. Rodriguez welcomed everyone and announced Chair, Lisa Marie Alley, would not be present due to a last minute conflict.
- Ms. Rodriguez introduced Darin Kishiyama, Supervising Transportation Engineer and Meilani Sabadlab, Small Business Technical Associate to the Council.

## **2. Approval of February 17, 2016 Business Advisory Council Meeting Minutes (Alice Rodriguez)**

- Ms. Rodriguez pointed out the mistake, concerning Small Business metrics, noted under RDP's update in the DRAFT minutes from February 17th. The correct number of RDP Small Business subcontractors is 25.
- Member LaCome noted she was not listed in attendance during February's Business Advisory Council meeting and should be added.
- Member Hunsaker motioned that the minutes from the February 17th, 2016 Council Meeting be adopted. Member LaCome seconded the motion, contingent on the acknowledged corrections.

## **3. Prior Meeting Requests (Alice Rodriguez)**

- Ms. Rodriguez summarized a list of requests from the February 17<sup>th</sup> Business Advisory Council Meeting and followed with the results of the requests. The Authority delivered on the following Business Advisory Council Requests:
  - Darin Kishiyama, Supervising Transportation Engineer – BAC requested to have a person of construction expertise be present during Business Advisory Council Meetings.
  - A request sheet for Performance Plans – BAC requested copies of CP 1 and CP 2-3's winning proposals and Small Business Performance Plans. Due to the size of the documents, this information will be mailed via CD. Council members were instructed to sign the request sheet if interested in obtaining the material.
  - Ethnicity Report – BAC requested that the DBE utilization information be provided in a format that is broken down by ethnicity and gender.
  - RDP Sub List – BAC requested a list of Small Business subcontractors working with the RDP.

### ***BAC Member Questions and Concerns:***

- Member Dean requested a Small Business Breakdown (similar to the RDP sub list) for CP 1, CP 2-3 and CP 4, including the dollar value of each contract.

## **4. Small and Disadvantaged Business Enterprise Program Update (Alice Rodriguez)**

- In effort to strengthen the Small Business Program, the Authority continues to develop their Small Business Team: Karen Massie, Alex McCracken and new addition Meilani Sabadlab.
- The Conference of Minority Transportation Officials of Northern California (COMTO) members, Dev Krishnan and Jesus Vargas have joined the Business Advisory Council.
- As of April 15<sup>th</sup> the Vendor Registry, mandated by the FRA, is underway. It is anticipated that the project will be completed by the end of July 2016. The Vendor Registry will be accessible via the Authority's public website and will provide Primes the capability to search for certified Small

Businesses and Suppliers using at a minimum the firm's address, phone number and offered services.

- The Department of General Services has confirmed that the Authority will no longer be able to host certification workshops due to their new system, Cal eProcure. Cal eProcure requires Small Business owners to bring numerous documents which are necessary for certification. Unfortunately, Cal eProcure demands too much of a Small Business to be certified during a single workshop.
- During the months of February and March, the Outreach team had the opportunity to influence hundreds of Small Businesses from virtually all segments of the alignment. The Outreach team participated in 7 Small Business speaking engagements and/ or matchmaking events and staffed 2 tables.

## **5. Contract Compliance Update (Jose Camarena)**

- The Small Business Master List included in member's packets is based on small business commitments on active contracts. Commitments can shift over time due to changing work assignments or other circumstances, meaning that not all firms on the list will ultimately be utilized.
- The Quarterly Small Business Utilizations Report (SBUR), submitted to the FRA in March, reflects a Small Business utilization percentage of 37.20% on 29 professional services contracts, including 17.77% of DBEs and 2.32% of DVBes. On construction contracts, the Small Business utilization is at 12.45%, including 6.40% of DBEs and 3.28% of DVBes.
- The next quarterly Small Business Utilization Report will be issued in June. It will be the first report to include small business utilization on CP 2-3.
- During the next BAC meeting, the Authority anticipates to have a Caltrans representative present to provide an update regarding the Fresno/South of Fresno projects currently underway.

### ***BAC Member Questions and Concerns:***

- Member LaCome requested a report showcasing where Caltrans currently stands in regards to the Small Business goal (30/10/3).
- Members Chaudhary and Cunningham inquired what the penalty is if a Prime or Small Business does not meet the Small Business goal.

## **6. Project Updates**

### ***Construction Package 4 (Angela Roberson)***

- California Rail Builders will be the Prime Contractor on CP 4 and will be led by Ferrovial Agroman, one of the world's leading infrastructure operators and municipal service companies.
- The project will be based out of the Los Angeles office which was established in 2012. Ferrovial is very acclimated with the California region.
- Ferrovial is committed to exceeding the Authority's Small Business goal. Their goal is to utilize as many local businesses, including Small Businesses for the project.
- Ferrovial will implement a vendor registry to capture data of interested businesses who want to participate on the High-Speed Rail project.
- CP 4 has an open door policy and encourages BAC members to reach out if any questions and/or concerns arise. The key contacts for Ferrovial are Angela Roberson, Director of Diversity Contract Compliance and Joanne Siracusa, Administrator and Small Business Liaison.

### ***Construction Package 1 (Maurice Young)***

- The CP 1 project is continuing with the Design phase while ramping up field construction activity.
- In a partnering effort with the Authority they have identified 7 high priority areas to start construction and have been issued a directive to extend the project approximately 2 ½ miles North adding 3 overpass structures.
- Recent field activities are as follows:
  - Design Support: survey, utility line relocations and geotechnical
  - Property Acquisition Related: Abatement and Demolition
  - Construction –
    - Multiple crews performing utility line relocations in Fresno and Madera County
    - Fresno River Viaduct – Construction crews have begun pouring concrete on the superstructure spanning 2 columns at the Fresno River Viaduct near Madera. Work is also underway to build the section of the bridge that crosses State Route 145.
    - Tuolumne Bridge demo and reconstruction – Demolition and construction were completed ahead of schedule. Crews are now drilling for the construction columns that will support the new 2-way bridge into downtown Fresno. Completion is expected by late 2016.
    - San Joaquin Viaduct – preparations are underway to begin construction. The bridge will feature 2 concrete arches and will span the San Joaquin River and feature a pergola structure that will allow high-speed tracks to travel above the established Union Pacific tracks. Site preparation is scheduled to begin late April.
    - Cotton Creek (Madera) – Construction preparation is underway and labor should begin within 3 weeks.
    - Fresno Trench – Work continues on the approximately 2 mile trench from South of State Route 180 to between Olive and Belmont Avenues. Crews have poured support piles to assist with the excavation for the Fresno Trench.
- Small Business Utilization and Participation as of March 31, 2016:
  - Subcontractors/Consultants and Suppliers – 60 Small Businesses total, including 27 DBEs and 7 DVBEs
  - Vendors – 17 total Small Businesses including 1 DVBE
- Commitment to date (April 2016) Metrics\*
  - Total value of subcontracts to date: \$426,495,102.72 (42.5%)
  - Total value of Small Businesses to date: \$305,375,489.22 (30.42%)
  - Total value of DBEs to date: \$193,467,852.06 (19.28%)\*, \*\*<sup>1</sup>
  - Total value of DVBEs to date: \$60,473,213.16 (6.02%)
- Challenges that CP 1 are facing include:
  - Meeting the Small Business Program goal with PG&E and AT&T (third parties)
  - Finding a replacement for Dillard (committed DBE trucking subcontractor) who was unable to comply with the Community Benefits Agreement (CBA) and asked to be relieved of the contract

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<sup>1</sup> \* Valverde is a SBE, DBE and DVBE subcontractor

\*\* Includes Dillard Environmental 1.35% DBE Commitment

### ***Construction Package 2-3 (John James)***

- DFJV received the Business Diversity Buyer of the Year Award from the Central Valley Business Diversity Partnership
- DFJV is looking to hire staff to monitor and regulate the Small Business Program for their Sacramento and Fresno offices.
- There are 18 Small Business subcontractors on CP 2-3. A majority of the Small Businesses are design support services.
- Environmental and demolition work is underway and opportunities are available for Small Businesses in these trades.
- CP 2-3 finds the Authority's detailed specific paperwork challenging for their Small Businesses. In effort to provide clarity, CP 2-3 will host a workshop to review the documentation process and answer any questions.
- The construction of 32 overpasses will begin in June 2016. DFJV has decided to Contract each overpass independently to increase the opportunity for Small Business participation.
- DFJV is working with PG&E to add Small Businesses to their list of firms allowed to work on PG&E utilities. DFJV will now be doing all design work on these PG&E related projects, which create opportunities for design Small Businesses.
- DFJV is in need of pre-cast utility boxes, and will be advertising a subcontract for this in coming weeks.
- The overall Small Business participation dollar value is expected to be:
  - \$370 million for SBEs
  - \$123 million towards DBEs
  - \$37,037,036.00 toward DVBES

## **7. Planning Meeting Committee Updates**

### ***Professional Services Committee (Vida Wright)***

- Vida Wright announced her resignation as the Professional Services Committee chair and as the primary representative for Society of American Military Engineers (SAME). Nathan Rockwood will advance as the primary representative for SAME.
- The Professional Services Committee has elected San Francisco African American Chamber of Commerce (SFAACC) member Fred Jordan as their newly elected committee chair.
- The Committee reevaluated their current goals and will be carrying these goals forward in 2016. They include:
  1. The Authority adopting safe harbor rates as an option for overhead rates for newer Small Business firms.
  2. Incentivizing prompt payment, especially to lower tier subcontractors.
  3. Adopting the 30/10/3 goal on all Authority contracts.
  4. Separating the 30/10/3 goal so as to have it apply separately to the design and build portion of design-build contracts.

### ***Construction Committee (Diana LaCome)***

- The Committee will review and discuss the Small Business list to follow and report on a cross section of SBEs, DBEs and DVBES during the span of their contract to asses any issues they may encounter.

- The Construction Committee recommends the Environmental Justice program focus on mitigating factors on Small Businesses – as the moving target (design build) there will be effects on Small Businesses. The Committee is concerned if there are mitigated plans present in the Environmental Justice plan.

#### **8. Member and Public Comment and Adjournment**

- Member Guerrero mentioned High-Speed Rail fares should be based on Environmental Justice review. Alice Rodriguez and Karen Massie replied the fares noted in the Business Plan were an estimate and will not be established until the Authority employed an operator, which is years to come.
- Member Uden motioned to adjourn the meeting and Member Vargas seconded.
- Alice Rodriguez adjourned the meeting at 3:09 PM.